SGGF V

Saskatchewan Government Growth Fund V Ltd.

Creating economic wealth and diversification
through investment of immigrant investor capital in Saskatchewan

2011 FINANCIAL STATEMENTS

SASKATCHEWAN GOVERNMENT
GROWTH FUND

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Saskatchewan Government Growth Fund V Ltd.:

We have audited the accompanying financial statements of Saskatchewan Government Growth Fund V Ltd., which comprise the statement of financial position as at March 2, 2011, and the statements of operations and comprehensive earnings (loss), deficit and accumulated other comprehensive income and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Government Growth Fund V Ltd. as at March 2, 2011, and its financial performance and its cash flows for the period then ended in accordance with Canadian generally accepted accounting principles.

Emphasis of Matter
Without modifying our opinion, we draw attention to Note 2 of the financial statements which describes the dissolution of Saskatchewan Government Growth Fund V Ltd. occurring as at the date of these financial statements.

Deloitte & Touche LLP

Chartered Accountants

June 14, 2011
Regina, Saskatchewan

Saskatchewan Government Growth Fund V Ltd.
Statement of Financial Position

As at	March 2, 2011	December 31, 2009
Assets		
Cash	$ -	$ 77,867
	$ -	$ 77,867
Liabilities and Shareholder's Deficiency		
Accounts payable and accrued liabilities	$ -	$ 14,600
Commissions payable (Note 4)	-	20,000
Investor notes (Note 5)	-	1,650,000
	-	1,684,600
Share capital (Note 6)	-	1,000
Deficit and accumulated other comprehensive income	-	(1,607,733)
	-	(1,606,733)
	$ -	$ 77,867

See accompanying notes to the financial statements.

On behalf of the Board:

Roland Hardy
Director

Robert Spelliscy
Director

Saskatchewan Government Growth Fund V Ltd.
Statement of Operations and Comprehensive Earnings (Loss)
For the period January 1, 2010 to March 2, 2011, with comparatives for the year ended December 31, 2009

	2010-2011 (14 months)	2009 (12 months)
Revenues		
Income from cash	**$ 1,090**	$ 5,724
	1,090	5,724
Gains (losses) realized on disposal of other investments	**3,481**	(35,688)
	3,481	(35,688)
Net revenue	**4,571**	(29,964)
Expenses		
Administration (Note 7)	**6,410**	22,696
	6,410	22,696
Net earnings (loss) for the period before the following:	**(1,839)**	(52,660)
Dissolution transactions (Note 2)	**1,608,572**	-
Net earnings (loss) for period	**1,606,733**	(52,660)
Other comprehensive income	**-**	-
Comprehensive earnings (loss) for the period	**$ 1,606,733**	$ (52,660)

See accompanying notes to the financial statements.

Saskatchewan Government Growth Fund V Ltd.
Statement of Deficit and Accumulated Other Comprehensive Income

As at	March 2, 2011	December 31, 2009
Deficit, beginning of period	**$ (1,607,733)**	$ (1,555,073)
Net earnings (loss) for the period	**1,606,733**	(52,660)
Cancellation of shares	**1,000**	-
Deficit, end of period	-	(1,607,733)
Accumulated other comprehensive income, beginning of period	-	-
Other comprehensive income for the period	-	-
Accumulated other comprehensive income, end of period	-	-
Total deficit and accumulated other comprehensive income	**$ -**	$ (1,607,733)

See accompanying notes to the financial statements.

Saskatchewan Government Growth Fund V Ltd.
Statement of Cash Flows
For the period January 1, 2010 to March 2, 2011, with comparatives for the year ended December 31, 2009

	2010-2011	2009
Cash flows from operating activities		
Net earnings (loss) for the period	**$ 1,606,733**	$ (52,660)
Items not affecting cash:		
Net losses realized on disposal of other investments	**-**	35,688
Net change in accounts payable and accrued liabilities	**(14,600)**	(4,440)
Write-off of commissions payable	**(20,000)**	-
Write-off of investor notes	**(1,591,920)**	-
Cash flows from operating activities	**(19,787)**	(21,412)
Cash flows from investing activities		
Disbursements on other investments	**-**	(30,688)
Repayments of other investments	**-**	425,000
Cash flows from investing activities	**-**	394,312
Cash flows from financing activities		
Repayment of investor notes	**(58,080)**	(1,089,986)
Cash flows from financing activities	**(58,080)**	(1,089,986)
Net decrease in cash	**(77,867)**	(717,086)
Cash, beginning of period	**77,867**	794,953
Cash, end of period	**$ -**	$ 77,867

See accompanying notes to the financial statements.

Saskatchewan Government Growth Fund V Ltd.
Notes to Financial Statements
March 2, 2011

1. Status of the Corporation

Saskatchewan Government Growth Fund V (1997) Ltd. ("SGGF V" or the "Fund") was incorporated in August 1997 under *The Business Corporations Act* (Saskatchewan) and has been accepted as a government administered venture capital fund under the federal government's Immigrant Investor Program ("IIP"). Under this program, the Fund was established to raise $35,000,000 through a note offering. Each note is a variable rate (1.50% to 3.50%), unsecured, subordinated debt instrument with a principal amount of $250,000, repayable in five years provided that 70% of the proceeds are invested in eligible businesses ("Notes") throughout the five year period. The marketing period for the Fund ended on December 31, 1998, and 2003 was the last year in which the Fund accepted the completion of subscription payments.

The Confidential Offering Memorandum ("Memorandum") and the IIP prescribe various conditions which qualify an investment as an eligible business, including a requirement that the business be Saskatchewan based and have assets, including assets of associated companies, of less than $35 million.

The Government of Canada and the Government of the Province of Saskatchewan offer no guarantees or assurances on the financial performance of the Fund or of a return of an investor's original investment and neither government will be liable for any loss or damages suffered by an investor as a result of an investment in the Notes.

As described above, the Fund's purpose is to issue the Notes and make investments in accordance with the IIP. When the Notes mature, the Fund divests its investments, in due course, as appropriate opportunities arise. The Fund's only source of revenue is from its investments and interest on cash. The Fund has liquidated all of its investments. There were insufficient proceeds on liquidation to satisfy all of the Fund's obligations.

2. Dissolution of Fund

By resolution of the Board of Director's on February 2, 2011, Saskatchewan Government Growth Fund V Ltd. was dissolved effective March 2, 2011. All remaining assets and liabilities were transferred to Crown Investments Corporation ("CIC") on the date of dissolution. The Fund transferred cash of $33,140 (net of outstanding cheques $10,560), and accrued liabilities of $33,140.

The Fund has written off $1,591,920 in Investor notes and $20,000 in commissions payable and cancelled $1,000 of share capital. Below is a summary of the dissolution transactions:

Saskatchewan Government Growth Fund V Ltd.
Notes to Financial Statements
March 2, 2011

	For the period January 1, 2010 to March 2, 2011
Legal and professional	$ (3,348)
Commissions write-off	20,000
Write-off Investor notes	1,591,920
	$ 1,608,572

3. Significant accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The following are considered significant:

Financial instruments

All financial instruments are classified as one of: (a) held-to-maturity; (b) loans and receivables; (c) held-for-trading; (d) available-for-sale; or (e) other liabilities. Financial assets and liabilities held-for-trading are measured at fair value with gains and losses recognized in net income. Financial instruments classified as held-to-maturity, loans and receivables and other liabilities are measured at amortized cost. Available-for-sale financial instruments are measured at fair value, with unrealized gains and losses recognized in comprehensive income. Accumulated other comprehensive income is reported as a separate component of shareholder's equity. Embedded derivatives are accounted for as separate financial instruments and classified in accordance with the above-noted classifications. Investment companies are exempt from these accounting policies with respect to investments and are permitted under Accounting Guideline 18 of the Canadian Institute of Chartered Accountants ("CICA") to measure and report investments at fair value.

The Fund has designated its cash as held-for-trading, which is measured at fair value. Accounts payable, Investor notes and other liabilities are classified as other financial liabilities which are measured at amortized cost. The Fund has no embedded derivatives that need to be separately valued.

Saskatchewan Government Growth Fund V Ltd.
Notes to Financial Statements
March 2, 2011

4. Commissions payable

According to the terms of marketing agreements entered into by the Fund, a commission is payable to the independent marketing agent selling the Notes upon issuance of the investor's immigrant visa. Based on the fact that the agents never claimed the commissions payable the Board resolved that the balance of accrued commissions payable $20,000 be written off in 2011.

5. Investor notes

Investor notes represent the Notes issued to investors of the Fund. The Notes help to satisfy a portion of investors' visa requirements under the IIP. Interest to the maturity date of Notes is accrued at an annual rate between a minimum of 1.50% and a maximum of 3.50% from the date of Bond issuance until maturity. The rate is determined at the time of subscription deposit and is calculated as 3.60% less than the then current yield on a benchmark Government of Canada bond. Interest is paid annually on December 31 until maturity and at maturity. The balance at each period end is comprised of Notes with interest rates as follows:

	2011		2009	
	Number	$	Number	$
1.50%	96	-	96	1,440,000
1.75%	2	-	2	30,000
1.95%	1	-	1	15,000
2.00%	2	-	2	30,000
2.05%	1	-	1	15,000
2.20%	1	-	1	15,000
2.40%	2	-	2	30,000
2.45%	2	-	2	30,000
2.60%	3	-	3	45,000
	110	-	110	1,650,000

The Notes are subordinate to all other liabilities of the Fund and repayment is dependent on the proceeds on liquidation of investments and other available liquidity in excess of other liabilities. Based on the liquidity of the Fund, the Board approved that the unpaid balance of all Notes at the date of dissolution $1,591,920 to be written off.

In 2009 the balance is comprised of 110 unsecured Notes with a remaining principal balance of $15,000. In 2010 the final payout of $528 was paid to each investor.

Saskatchewan Government Growth Fund V Ltd.
Notes to Financial Statements
March 2, 2011

6. Share capital

The authorized common share capital of the Fund is:

Class A common shares - an unlimited number of voting common shares. Holders of these shares are not entitled to receive dividends.

Class B common shares - an unlimited number of non-voting common shares. Holders of these common shares are entitled to receive dividends.

The issued common share capital is at:

	March 2, 2011	December 31, 2009
1,000 Class A common shares	$ -	$ 1,000

On March 2, 2011, the Fund cancelled the share capital of $1,000 upon dissolution of the Fund.

7. Administration

Under the terms of a management agreement between the Fund and Saskatchewan Government Growth Fund Management Corporation ("SGGF Management Corporation"), SGGF Management Corporation administers the assets of the Fund with the assistance of a manager that performs fund administration and investment management together with several investment subadvisors. SGGF Management Corporation does not guarantee the financial performance of the Fund. All services provided to the Fund are charged on a fee for service basis. Effective March 31, 2009, Management Corporation was wound up into CIC and CIC assumed the responsibilities of Management Corporation under the management agreement. Prior to April 1, 2009, all administration costs were billed by Management Corporation to the Fund. Subsequent to March 31, 2009, the Fund directly incurred its costs of administration with the exception of fees paid to the manager which are paid by CIC and reimbursed by the Fund. Administration costs incurred by the Fund, including those billed by CIC subsequent to March 31, 2009 and by SGGF Management Corporation prior to April 1, 2009 are as follows:

Saskatchewan Government Growth Fund V Ltd.
Notes to Financial Statements
March 2, 2011

	For the period January 1, 2010 to March 2, 2011	Year ended December 31, 2009
Manager's fees	$ 945	$ 15,795
Directors' fees and expenses	-	767
Legal and professional	5,080	6,031
General administration	385	103
	$ 6,410	$ 22,696

8. Income taxes

A provincial Crown corporation, CIC (prior to April 1, 2009, SGGF Management Corporation), owns all of the issued shares of the Fund. Therefore, the Fund is exempt from income taxes.

9. Related party transactions

Included in these financial statements are amounts resulting from transactions with CIC subsequent to March 31, 2009 and by SGGF Management Corporation prior to April 1, 2009 pursuant to a management agreement referred to in note 7. Routine operating transactions with related parties are recorded at agreed upon exchange amounts and settled under normal trade terms. Total fees charged to the Fund by CIC and SGGF Management Corporation amounted to $945 (2009 - $15,795). Total fees payable to CIC at each period end, and included in the above, are $nil (2009 - $112).